

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Beam's Industries, Inc.

#### Oklahoma Alliance for Manufacturing Excellence

#### Beam's Embraces Lean Manufacturing

##### Client Profile:

Beam's Industries, Inc., located in Oklahoma City, Oklahoma, was founded over 50 years ago and employs 50 people. The company manufactures safety belts for the truck, bus, construction and agricultural vehicle industries. Beam's also makes belts for amusement park rides, classic cars and emergency vehicles.

##### Situation:

While the flexibility of Beam's Industries is its cornerstone, much of its custom work involves the use of three core products: retractable lap belts, non-retractable lap belts, and lap and shoulder harnesses. A significant portion of the work is repetitive and was, until recently, completed in a traditional batch-processing routine. "We had done it the same way since it was a one-horse operation," said Mike Bosley, director of operations. "We were successful and didn't readily see the need for change. We just didn't know how inefficient we were."

Company leaders looked around the shop floor and realized the employees were lost among all of the stacks and stacks of boxes. It was the beginning of a cultural change at Beam's. They contacted Karla Bonzie, a manufacturing extension agent with the Oklahoma Alliance for Manufacturing Excellence (The Alliance), a NIST MEP network affiliate. Bonzie, who had an extensive working relationship with Beam's, knew the company was poised for a transformation through Lean Enterprise.

##### Solution:

Bonzie organized Lean 101 courses for most of Beam's employees, who embraced the hands-on exercises, learning how to eliminating waste and non-value added activities. Employees moved on to a Value Stream Mapping workshop where they mapped a product from basic materials stage to the point of delivery. They discussed problems with the process and determined possible solutions. "We've embraced cellular manufacturing and are dedicated to continuously improving our process flow," Bosley said. "It's an adjustment away from making sure every machine is running at all times. But Lean has made a dramatic difference. Working project to project, we're getting more done in less time. And we're more responsive to customer demands. Our employees are more involved in the process and appreciate the opportunity to help improve efficiency. They are thinking outside the box--literally." Another step forward was the company's recent ISO 9001 registration. Bonzie helped audit the company and prepare it for the registration process. Now, hanging banners post "quality objectives" like a 15 day or less lead time and an on-time shipment rate of 95 percent. Bonzie and Bob Carter, another manufacturing extension agent with The Alliance, are working with Beam's on a new open-book management, which is changing the way employees look at the company. "Most of our financial details are posted and available to the employees," Bosley said. "It's an effort to get everyone moving in the same direction. It has pulled the company together. Employees are aware of our financial performance. In our case, profits are up and operating expenses are down. If employees know what's going on and are invested in the process, they will work toward the company's best interest, not their

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own."

### **Results:**

- \* Reduced work-in-progress by 95 percent.
- \* Reduced completion time by 70 percent.
- \* Reduced required floor space by 35 percent.
- \* Increased on-time shipment by 95 percent.

### **Testimonial:**

"We pretty much did things the same way for more than 50 years. Thanks to The Alliance we are thinking outside of the box. We're improving efficiency, creating a better, more viable company."

Ted Merritt, Vice President